Testimony of Steven F. Hayward, Ph.D Resident Scholar American Enterprise Institute for Public Policy Research* Regarding H.R. 2138

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I am pleased to speak on behalf of the merits of H.R. 2138, the Department of Environmental Protection Act. The EPA was created contemporaneously with a slew of semi-autonomous independent administrative agencies usually devoted to narrow purposes, such as the Consumer Product Safety Commission and OSHA. By the very nature of environmental issues today, it is increasingly obvious that the EPA is more like the Department of Health and Human Services than the CSPC. The EPA should be more fully and prominently integrated into the highest levels of the executive branch, instead of continuing along in the political no-man's land of administrative agencies.

The most important feature of H.R. 2138 is Section 8, which would establish a Bureau of Environmental Statistics. This idea, long championed by Paul Portney of Resources for the Future (among others), is long overdue. There

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is a striking need for dispassionate environmental data and trend analysis to replace environmentalism-by-anecdote and policy-by-headline. Although the Environmental Protection Agency and other federal departments that share responsibility for environmental matters collect and publish reams of statistics about the environment, there has never been a consistent, systematic national effort to report on environmental trends—an astonishing lacuna in a nation where hundreds of billions of dollars are spent annually for environmental protection. Without such an effort, it is difficult or impossible to evaluate the performance of the EPA, the effectiveness of its individual policies, or to chose intelligent priorities among the various environmental problems it is charged with addressing. Imagine the Federal Reserve setting monetary policy, or Congress making tax policy, without the systematic measures of economic output, employment, inflation, and other factors produced by the Bureau of Labor Statistics, the Census Bureau, and other government data collection efforts. Yet that is exactly the kind of fog in which much environmental policy is made today.

The very first report of the President's Council on Environmental Quality in 1972 noted the usefulness of such an approach:

The use of a limited number of environmental indices, by aggregating and summarizing available data, could illustrate major trends and highlight the existence of significant environmental conditions. It could also provide the Congress and the American people measures of success of Federal, State, local, and private environmental protection activities. An analogy might be drawn

with the economic area, where the Consumer Price Index, Wholesale Price Index, and unemployment rates provide a useful indication of economic trends. . .

Despite the widely acknowledged need for such an effort, it has never been attempted in a serious way.

Section 11 of this bill makes clear that elevating the EPA to cabinet rank will not change any existing EPA policy. One might sensibly ask: why bother then? What is the advantage of elevating the EPA if such a change does not lead to reforming some of the problems and frustrations that critics on all parts of the political spectrum have identified? Doesn't this just amount to rearranging deck chairs? I argue that putting the EPA on commensurate footing with other cabinet agencies will make it more accountable to the President and other cabinet officers, will enhance its ability to increase public sophistication about environmental matters, and will improve the prospects for step-by-step reforms of its operations.